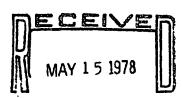


United States Department of the Interior

BUREAU OF INDIAN AFFAIRS SOUTHERN PUEBLOS AGENCY

P.O. BOX 1667
1000 INDIAN SCHOOL ROAD, N.W.
ALBUQUERQUE, NEW MEXICO 87103

Real Property Management



WAY 1 1 1978 ALBUQUERQUE, NEW MEXICO

Confidential Claim Retracted

Authorized by:

Mr. A. F. Czarnowsky
Area Mining Supervisor
U.S. Geological Survey
P.O. Box 26124
Albuquerque, New Mexico 87125

Dear Mr. Czarnowski:

Enclosed is a copy of Pueblo of Laguna letter of May 1, 1978 concerning performance bond pursuant to 25 CFR, 177.8, to insure proper surface exploration, mining and reclamation associated with the uranium mining leases on the Pueblo of Laguna and The Anaconda Company and also Continental Oil Company.

Since your office closely monitors the uranium mining activities of these companies involving the exploration plans and reclamation associated therewith, we would appreciate your recommendations as to suitable amounts of bonding.

Enclosed is a copy of 25 CFR 177. A search of our files indicates that the Anaconda Company has no bond in effect as required by 177.8. Part 177 of Title 25 was added to the regulations January 18, 1969, and Anaconda's leases were in effect prior to that time (except for the 320-acre lease approved July 26, 1976). All of the leases require that the lessee conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such leases.

Continental Oil Company has a \$6,000 blanket performance bond to meet the requirements of 25 CFR 177.8.

The leases held by both companies are supported by \$15,000 collective bonds as required by 25 CFR 171.6.

We will appreciate your cooperation in this matter.

Sincerely yours,

Superintendent

Enclosures

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